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TO ADMIRAL FALLON FROM AMBASSADOR SCHIEFFER

E.O. 12958: DECL: 08/10/2016 TAGS: PREL MARR MASS PGOV JA SUBJECT: YOUR VISIT TO JAPAN

Classified By: Ambassador J. Thomas Schieffer, reasons 1.4 (b,d)

11. (C) Summary: Your visit to Japan comes at a important time in the U.S.-Japan Security Alliance. The July 5 DPRK missile launches have generated unprecedented public and political interest in our bilateral defense relationship, especially in the field of Ballistic Missile Defense (BMD). Your meetings in Tokyo will assist our efforts to turn this momentum into specific actions. We want to move beyond Japan's current focus on simply acquiring new BMD equipment to secure commitments on enhanced planning, coordination, and information sharing before the next crisis. We also need to remind Japan that it needs to maintain spending in non-BMD areas, including Alliance Transformation, training and operations, and Host Nation Support. End Summary.

Entering a New Era

- 12. (C) By almost all measures, U.S.-Japan relations are the strongest in decades. Our own polling shows public support for the security alliance reaching an unprecedented 80 percent. Prime Minister Junichiro Koizumi's commitment to the relationship and his personal friendship with the President have contributed to this positive trend. The fundamental strength of the alliance, however, rests on a broader set of shared interests and values. The debate a decade ago over choosing between America and Asia is effectively over. Japanese elites, and a growing segment of the public, understand that Japan's long-term interests in this volatile region are best served by a close partnership with the United States. This will be the starting point for the next Prime Minister and those who follow him.
- 13. (C) The July 5 DPRK missile launches have focused public attention on the alliance in unprecedented ways. BMD issues will be foremost on the minds of your interlocutors. Even before the launches, BMD cooperation had become the driver of our broader transformation efforts. For many, it is now the defining issue for the alliance. The deployment of a PAC-3 Patriot battalion to Okinawa, installation of the FBX radar in Shariki, and the arrival of the SM-3-capable USS Shiloh on August 29 have generated intense media interest. The close, real-time bilateral coordination, both through the Bilateral

Joint Coordination Center (BJOCC) linking the Joint Staff Office (JSO) and USFJ and between the embassy and our counterparts in the Japanese government, also highlighted the value of our work over the past decade to enhance the alliance.

¶4. (S) We want to capture the momentum from July 5 to forge ahead with closer cooperation in the policy, operational, and intelligence spheres. Over the past several weeks, we have worked with our Japanese counterparts to review our bilateral response to the DPRK launches. In this context, it will be useful to remind your Japanese interlocutors that one reason we did so well was the long warning time we enjoyed before the July 5 launches. This allowed us to create ad hoc structures to share information, coordinate our diplomatic and public messages, and integrate our operations. We may not have the luxury to prepare so thoroughly the next time around.

Beyond BMD

- 15. (S) In your meetings with the Japan Defense Agency (JDA), you will likely be asked to accelerate our deployments of BMD assets in Japan, including by forward deploying additional SM-3-capable Aegis vessels. While there may be areas where we can be responsive, such as deploying a second X-Band radar to Kyushu, we do not want to limit our focus to BMD hardware. Alliance transformation, both the base realignment and efforts to expand bilateral roles, missions and capabilities, will take political leadership as well as money and manpower.
- $\underline{\ \ }$ 6. (C) Although only in its early stages, implementation of the May 1 Defense Policy Review Initiative (DPRI) roadmap is

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progressing smoothly. The next major challenge will be to create the funding and legislative mechanisms needed to implement agreed upon base realignment activities. JDA Minister Nukaga informed me that the cabinet has agreed to fund base realignment outside of the JDA budget. Funding for Guam, both loans and direct costs, are likely to be put before the Diet during the January regular session. This is welcome news, but you may wish to stress that DPRI funding should not come at the expense of Host Nation Support, including the Special Measures Agreement and Facilities Improvement Program.

- 17. (S) With base realignment plans proceeding, policy-level attention is turning to operational and contingency planning issues. We have already started the process of updating plans for a Korea contingency and are looking to support your efforts to do more detailed preparations for NEO and transload operations. We will work closely with your staff to bring domestic Japanese agencies and local governments into this process.
- 18. (C) In this context, the embassy, USFJ, and its component commands have made strides in improving our interactions with local communities. On September 1, the embassy, USFJ, and the Seventh Fleet will participate in a major disaster drill with Tokyo City Government. Later in September, we will start consultations with Yokosuka City related to the planned deployment of the USS George Washington in 2008. Preparations for the CVN's arrival are proceeding smoothly, thanks in large part to the hard work of Admiral Kelly and his staff at CNFJ.

Japan's International Role

19. (C) Your visit will also offer an opportunity to commend Japan's contributions to the Global War on Terrorism. While the last Ground Self-Defense Force (GSDF) unit withdrew from Iraq last month, Japan's government has made clear its intention to extend the Maritime Self-Defense Force (MSDF)

deployment to the Indian Ocean for another six-month cycle. Legislative authority for the Air Self-Defense Force (ASDF) mission in Kuwait will remain effective until July 31, 2007. You may wish to offer suggestions on new overseas initiatives that would maintain the momentum from the Iraq deployment and help the government justify passage of a permanent SDF dispatch law.

110. (C) Finally, it would be useful to provide your perspectives on developments in the region. You will be arriving in Tokyo on the heels of Prime Minister Koizumi's August 15 visit to the Yasukuni Shrine. Yasukuni more than any other issue has come to symbolize the deteriorating state of Japan-China relations. While we are encouraged that leaders in both Japan and China appear to be looking to move beyond Yasukuni after Koizumi's retirement, mistrust over China's future intentions still runs deep in Japan. Your thoughts on this issue, and how our alliance can facilitate the emergence of a non-disruptive China, will be highly valued. You may also want to offer ideas on how we could work more effectively with partners like Australia and ASEAN nations to enhance the regional security environment.